University of Technology, Sydney response to

Measuring the Socio-economic Status of Higher Education Students - Consultation 2009

INTRODUCTION

The DEEWR discussion paper covers a range of issues and potential data sources which could be used in identifying low SES students. The paper defines low SES as having 4 dimensions: income, educational status of parents, occupation of parents, and community.

These can only ever be proxy indicators for socio-economic disadvantage in relation to participation and success in higher education. The greatest of all disadvantage arises from households in which there is a lack of aspiration for their children. In these situations educational status and occupation (except for long-term unemployed) is a very imperfect proxy for this disadvantage.

UTS believes there will be an ongoing need to measure low SES by area, in addition to measuring individual circumstances. Whilst efforts should be made to establish acceptable measures based on individual circumstances, recognition should continue to be attributed to social environment, which exerts a powerful influence over school performance and post-secondary school decision-making. Measuring the influence of peers and community environment can only be done at the community cohort level, as individual assessment would be too detailed and invasive.

For this reason we believe that a measure that includes both individual and community disadvantage is preferable to the current method which is only based upon community. This would address the important issue of the need for multiple uses for the new measure: funding policy for broad program development, and service delivery to targeted individual students.

Relevant to each of these issues is the recognition that there are two broad categories of students in the Australian University system – school leavers, and mature-aged students. This distinction is important because the availability, reliability, and relevance of data is much weaker for mature aged students – they will likely be living in a different location, they may be working and have their own income and/or their own families, so that their parents income will be irrelevant. Moreover the demographic predictions are for a fall in the absolute number of school leavers in Australia over the next decade, meaning that if we are to increase participation rates, a much greater proportion than the current 50% will have to come from the mature-aged student cohort in the short and medium term. This means that proxy measures for low SES have to relate more to mature-aged than school leaver cohorts.

A. INDIVIDUAL Measures

In relation to what measures should be considered in measuring the socio-economic status of **individuals**, parental income, education, and occupation all have been shown to be strong indicators of access to higher education, and of course there is a strong correlation between them. The issue is in the accuracy and validity of the data collection. School leavers may not have accurate information about their parents income or about their parents education levels. The data is more likely to be accurate around occupation provided that occupations are specific enough to link to socio-economic status; and especially if “unemployed” is one of the categories of occupation.

The following comments are offered in relation to each of the above.

1. Centrelink benefit status

We support the use of Centrelink data which is based upon means testing. It is important that this data is collected by DEEWR and not by Universities for privacy and transparency reasons. It is also important that this measure and the targets set to individual Universities is adjusted to reflect changes to Centrelink income thresholds and eligibility criteria.

We note however, that a significant number of people from low SES backgrounds, who are not Centrelink-

eligible, are excluded from this data set. Centrelink data cannot be used, therefore, as a single, reliable indicator for national or institutional educational strategy development and monitoring. A strong weighting towards this data set is likely to exclude many who, regardless of their Centrelink status, are from low SES backgrounds.

2. Parental education

UTS acknowledges the research that indicates **parental education** (PE) is a strong indicator of access to higher education. However, an over-emphasis on parental education may distort low SES data as a result of:

- the potentially variable link between PE and SES, particularly in relation to different generations, different populations, mature-age students and recent school leavers;
- changing social and economic circumstances over time (both local and global) impacting on Parental Education in different generations, and even different Australian states;
- the difficulty in developing a robust formula that accounts for complex family structures that feature multiple sets of parents and single parent situations;
- lack of knowledge by students about their parent's level of education leading to lack of data integrity.

UTS notes that NAPLAN results (reported in Campus Review, 1 Feb 2010) show that students whose parents with a Year 12 or below, or a vocational certificate education, are well behind the children of university-education parents. If information about PE is be collected, a single, simple question may elicit information just as robust as a multidimensional question about different levels of parental education, eg. *have either of your parents attended university?*

Measuring the participation of mature age low SES students via parental education, parental occupation or Centrelink status remains problematic due to the wide range of life circumstances impacting on older student's socio-economic status, e.g. carer's responsibilities, extended family responsibilities, income levels above Centrelink thresholds, etc.

3. Occupation

With regard to parental occupation, UTS notes that there is research evidence to suggest that parental occupation impacts on children's educational participation in a number of significant ways. Although, it is still regarded as only one of a number of key dimensions that have an independent effect on participation in higher education.

There also remains the problem of younger-aged students accurately identifying their parent's occupation and then the additional difficulties of translating occupations into measures of socio-economic status.

However, for mature aged students, it would be useful to explore 'occupation' as a more reliable guide to their current socio- economic status, if a reliable contemporary coding of occupation to SES is available.

UTS suggests that both occupation and home address (postcode status) could be researched to assess for robustness in relation to measurement of mature age low SES. Use of both these factors, however, might again raise the risk of double counting.

UTS notes that developing the capacity to measure mature age low SES is important in relation to the central role this cohort will play in helping to meet the short and medium term targets for low SES participation in higher education. Further research is recommended for the purpose of developing a robust mature age low SES indicator.

B. COMMUNITY Measures

In relation to the **community measure**s of low SES there are two issues in its construction. The first is what measures should be included and the second is the geographic size of the community (eg postcode vs census district).

In relation to the geographic size of the community, we do not support the use of postcodes which is far too crude a measure as socio-economic status varies significantly within postcodes. We do support the use of census districts (CD) rather than postcodes. However the difficulty with CDs is that a recent study by UWS suggests that up to 30% of student addresses do not identify the CD. This would need to be further investigated.

There appears to be an improved measure of the socio-economic status of the community and educational

environment variables: the high school attended. The Department has spent considerable resources on the socio-economic characteristics of schools and surely this is a better measure. It also incorporates some aspects of aspiration – should a student from a low SES community who attends one of the top private schools really be considered educationally disadvantaged? They would not be under this definition, and correctly so. This measure also works much better for mature-aged students than parental data both in its validity and reliability.

We do believe that the new Index of Community Socio-Educational Advantage is potentially a better suggestion (see below).

1. Postcode / Collection District

The currently used postcode data has been acknowledged as inadequate. The discussion paper raises the possibility of using alternative Socio-Economic Indexes for the measure of low SES. Of the indexes cited, UTS suggests that the Index of Relative Socio-economic Disadvantage (IRSD) or the Index of Relative Socio-economic Advantage and Disadvantage (IRSAD) are both worthy of further consideration. Both utilise a detailed set of variables that may be more robust than the currently used, narrower set of variables available through the Index of Education and Occupation.

The decision to utilise either IRSD or IRSAD should be made after further research is conducted, e.g. consideration could be given to whether:

1. low SES is to be measured against other SES groups (the IRSAD may be more nuanced across the social strata for this type of measurement);
2. low SES is to be measured as a simple percentage of the whole population (the IRSD may be a more effective measurement of disadvantage);
3. the integrity of a multidimensional low SES measure may be compromised by the inclusion of either index, e.g. through the double counting of some elements that are collected from individuals as well as via postcode (education and employment are the main elements that may be double counted).

UTS notes that the current targets set for low SES participation in higher education relate to the simple representation of low SES students in higher education. Further research is required to ascertain whether there is an ongoing need to use comparative data for the different levels of SES, currently defined as low, medium and high SES.

Notwithstanding our earlier comments on the recent UWS research, UTS believes that Collection District (CD) data would most likely be an improvement over postcode.

UTS notes that the implementation of a new low SES measure may require adjustment of government targets if the base percentage representation changes when the new measure is introduced.

2. School attended

The recently released Index of Community Socio-Educational Advantage, based on NAPLAN results, would appear to hold great potential for the SES measurement of current school leavers. It also provides data on the actual relationship between common SES indicators and academic performance, thereby enabling more accurate targeting of students from educationally disadvantaged backgrounds.

The Index uses 16 variables proven to influence educational outcomes, including the levels of income, employment and educational attainment in the census districts where students live, and the proportion of people who do not speak English well. The Index therefore provides a more nuanced assessment of SES that does not simply rely on the measurement of poverty.

OTHER COMMENTS

The Government's low SES Strategy has two interrelated objectives:

1. improving the educational aspirations and outcomes within disadvantaged communities (as addressed by HEPPP); and
2. increasing the enrolments of disadvantaged students in higher education institutions (Indicators paper)

Given these two objectives, consideration should be given to the use of different indicators to evaluate outcomes against these two objectives.

Objective 1

Improving outcomes from disadvantaged communities may be better measured by reference to an area based outcomes eg increases in the number of students from such schools applying for/ enrolling in any higher education institution

Objective 2

Participation and performance funding could be based on institutional targets that reflect the low SES enrolment load relevant to either the state or urban catchment of the institution.

Without differentiated measures to serve different purposes, it is possible that (particularly) metropolitan universities will continue to target low SES communities and schools in competition with each other in order to achieve their institutional targets. This would be at the expense of implementing more widespread outreach strategies that don't necessarily result in enrolments at the initiating institution.

Other available measures

A number of measures of low SES are currently used, or are being developed, by different Australian Government departments. It is preferable that a new low SES measure for the higher education sector be informed by, and be consistent with, measures for low SES used within the education sector.

Ideally, an Australia-wide low SES educational disadvantage measure should be developed for use within the education sector where similar circumstances and outcomes are being targeted. This would facilitate funding decisions and enhance the monitoring of outcomes.

The following data sets may also prove useful for further research:

- **Australian Bureau of Statistics:** Recent work by the Australian Bureau of Statistics to enhance its longitudinal census data sets, under the title 'Benefits of the Statistical Longitudinal Census Dataset'.
- **AUSEI06:** ANU research into developing a new socioeconomic index for Australia, under the title 'AUSEI06'.
- **Index of Community Socio-Educational Advantage:** The index for socio-economic disadvantage being used on the new My School website that takes into account 16 variables proven to influence educational outcomes, including the levels of income, employment and educational attainment in the census districts where students live, and the proportion of people who do not speak English well.
- **National Partnership on low SES communities:** the main data sets used in NSW to assess the eligibility of schools to enter funding partnerships are IRDS postcode data, state-based criteria used for assessing Priority Action Schools, and schools with over 25% Indigenous students.
- **Estimates of Poverty and Social Exclusion in Australia: a Multidimensional Approach**, Melbourne Institute Working Paper No. 26/09: This study uses data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey. For each individual, seven dimensions of social exclusion are used: material resources; employment; education and skills; health and disability; social; community; and personal safety.

Disadvantage and poverty

UTS notes that the clear distinction between social disadvantage and poverty is not evident in the DEEWR discussion paper.